

Honolulu, Hawaii

APR 22 2013

RE: H.C.R. No. 204
H.D. 1
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committees on Economic Development, Government Operations and Housing and Transportation and International Affairs, to which was referred H.C.R. No. 204, H.D. 1, entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE DIRECTOR OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM TO ESTABLISH A WORKING GROUP TO STUDY, CONSIDER, AND RECOMMEND WAYS TO REDUCE THE TRANSPORT TIME AND COST OF SHIPPING GOODS TO OAHU FROM MOLOKAI, LANAI, AND HANA, MAUI,"

beg leave to report as follows:

The purpose and intent of this measure is to explore ways to reduce the time and expense of shipping goods from certain neighbor islands to Oahu by requesting the Director of Business, Economic Development, and Tourism to form a working group consisting of public and private stakeholders to study the issue and report its findings, recommendations, and any proposed legislation to the Legislature no later than twenty days prior to the convening of the 2014 Regular Session.

Your Committees received testimony in support of this measure from seven individuals. Your Committees received comments on this measure from the Department of Business, Economic Development, and Tourism; Department of Taxation; Public Utilities Commission; and Young Brothers, Ltd.

The Public Utilities Commission testified that, while it was willing to make itself available to the working group as an



information resource, it would be inappropriate for the Commission to participate as a member of the working group due to possible questions of impartiality or bias on its part. The Commission therefore requested that it be removed as a member of the working group.

Your Committees are concerned that the cost of goods in remote locations of the State may be significantly higher than in more populous regions because of increased shipping costs and transit times. Your Committees find it appropriate and necessary to establish a working group involving public and private stakeholders to explore ways to address this issue. Your Committees are concerned, however, about potential questions of impartiality or bias on the part of the Public Utilities Commission that may arise if it is included as a member of the working group.

Therefore, your Committees have amended this measure by:

- (1) Removing the Public Utilities Commission from the working group membership; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Economic Development, Government Operations and Housing and Transportation and International Affairs that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 204, H.D. 1, as amended herein, and recommend its adoption in the form attached hereto as H.C.R. No. 204, H.D. 1, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committees on Economic
Development, Government
Operations and Housing and
Transportation and
International Affairs,



J. KALANI ENGLISH, Chair




DONOVAN M. DELA CRUZ, Chair



The Senate
 Twenty-Seventh Legislature
 State of Hawai'i

Record of Votes
Committee on Transportation and International Affairs
TIA

Bill / Resolution No.:*	Committee Referral:	Date:		
HCR 204, HD1	EGH/TIA	4/19/13		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
ENGLISH, J. Kalani (C)				✓
DELA CRUZ, Donovan M. (VC)	✓			
ESPERO, Will	✓			
GABBARD, Mike	✓			
KAHELE, Gilbert	✓			
KEITH-AGARAN, Gilbert S.C.				✓
KOUCHI, Ronald D.				✓
SOLOMON, Malama	✓			✓
SLOM, Sam	✓			✓
TOTAL	6	-	-	3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes